



കേരള ഗസറ്റ് KERALA GAZETTE

അസാധാരണം EXTRAORDINARY

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Thiruvananthapuram,
Saturday

2025 മാർച്ച് 29
29th March 2025

1200 മീനം 15
15th Meenam 1200

1947 ചൈത്രം 8
8th Chaithra 1947

നമ്പർ
No.

1273

GOVERNMENT OF KERALA

Taxes (B) Department

NOTIFICATION

G.O.(P) No.56/2025/TD.

Dated, Thiruvananthapuram, 29th March, 2025

15th Meenam, 1200.

S. R. O. No. 362/2025

In exercise of the powers conferred by section 57 of the Kerala General Sales Tax Act, 1963 (15 of 1963), the Government of Kerala hereby make the following rules, further to amend the Kerala General Sales Tax Rules, 1963, namely:-



RULES

1. *Short title and Commencement.*— (1) These rules may be called the Kerala General Sales Tax (Amendment) Rules, 2025.

(2) They shall come into force on the 1st day of April, 2025.

2. *Amendment of the Rules.*— In the Kerala General Sales Tax Rules, 1963,—

(1) after rule 31E, the following rule shall be inserted, namely:-

“31F. *Filing Application and issuance of certificate for settlement of arrears.*- (1) An application under sub-section (1) of section 23B shall be filed in the manner specified in sub-rule (4) in Form AMBAR-I before the Assessing Authority. The application shall be accompanied with the copy of the order or any other document or any information relating the order of demand along with the proof of payment of the amount calculated as per sub-section (1) of section 23B;

(2) If the assessing authority, upon verification of the application finds that there exists any discrepancy in the application, or the amount paid by the assessee falls short of the amount payable as per sub-section (1) of section 23B, intimation shall be given to the assessee of the discrepancies identified, and shall demand for the payment of the short paid amount, by issuing notice in Form AMBAR-II within one month of receipt of the application. The assessee shall file reply along with proof of payment made, if any, within one month of receipt of intimation, in Form AMBAR-III:

Provided that if the assessee fails to respond to the notice issued and fails to make payment of the short paid amount, if any, within the stipulated time period, the application shall be rejected and the partial payment made shall be appropriated against the existing arrears under the Act.

(3) On settlement of arrears by making payment of the amount as per sub-section (1) of section 23B, an order of Settlement in writing shall be issued by the Assessing Authority within one month of receipt of Form AMBAR-I or AMBAR-III as the case may be;

(4) The forms prescribed in respect of any process or procedure prescribed in this rule shall be filed or issued, as the case may be, manually.

3. for the existing Rules 35 and 35A, the following rules shall be substituted namely:-

“35. *Establishment of check post.*-When a check post is set upon a thorough fare or road under section 29, barriers may be erected across the road or thorough fare, in the form of a contrivance to enable vehicle or vessel being intercepted, detained and searched.

35A. *Documents to be accompanied with transport or storage of goods.*- (1) Any person-in-



charge of a conveyance carrying any consignment of goods, or any person-in - charge of goods stored as part of transit or otherwise, shall be accompanied by a sale bill or delivery note, as the case may be, and in the case of storage, wherein the value of such goods is rupees two hundred, or greater, then such goods shall also be accompanied by any document establishing the ownership of the goods in storage and the right to store such goods.

(2) Notwithstanding anything contained in sub-section (1), any person who is in charge of a conveyance carrying petroleum products falling under Sl.No.1 of the Schedule appended to section 5 of the Act, or any person - in -charge of the said product stores the same while in transit or otherwise, wherein the quantity of the said goods is more than fifty liters shall be in possession of such additional documents and shall also comply with such additional conditions as may be notified by the Commissioner of State Tax as per sub-section (2) of section 29A.

4. for the existing Rule 35B, the following rule shall be substituted, namely:-

"35B. *Procedure for confiscation of goods, conveyance, or both.*- (1) Any person who is found to be in charge of any goods without complying with the provisions of sub-rule (1) or (2) of rule 35A, or both, then such goods, and conveyance, if any, shall be liable for detention or seizure by an officer not below the rank of an Assistant State Tax Officer;

(2) On such detention or seizure, the officer referred to above shall take and hold possession of the goods, or both as the case may be and shall issue a notice in Form NARE-I (Notice for Action on Record of Enforcement) informing the reason for the detention or seizure.

(3) The owner or the person-in-charge of the goods, conveyance or both shall be afforded an opportunity for hearing and if he proves the bonafide of the transport/storage within three days of issue of notice in Form NARE-I, the officer shall release the goods, conveyance or both by issuing release order in Form NARE-II.

(4) If the owner or the person- in -charge of the goods, conveyance or both, as the case may be, fails to prove the bonafide of the transport/storage, action shall be initiated for confiscation of goods or conveyance or both and imposition of penalty under section 30E of the Act.

(5) The officer initiating action under section 30E for confiscation shall issue a notice in Form NARE-III specifying the penalty payable as per sub-section (4) and also mention the fine amount to be paid in lieu of confiscation per sub-section (5) of the said section.

(6) Where the conveyance detained is a carriage hired for transporting goods, the owner of the



conveyance shall also be issued a notice under sub-rule (5), giving an option to pay, in lieu of confiscation of the conveyance, a fine as per sub-section (6) of section 30E, specifying the conditions mentioned in the proviso to the said sub-section for release of the conveyance on such payment.

(7) If the owner/person-in-charge of the conveyance makes payment of the fine within the time period mentioned in sub-section (8) or (9) of section 30E and also makes arrangement for safe storage of the goods as mentioned in the proviso to sub-section (6), the conveyance shall be released by issuing a release order in Form NARE-II.

(8) If the owner or person-in-charge of the goods, conveyance or both, as the case may be, fails to remit the penalty and fine within a period mentioned in sub-section (8) or (9) of section 30E, he shall be issued an order in Form NARE-IV finalising the confiscation of the goods, conveyance or both, as the case may be and the title of such goods, conveyance or both, as the case may be, shall stand transferred to Government.

(9) No order of confiscation of goods, conveyance, or both, as the case may be, shall be issued without giving an opportunity of being heard to the owner/person in charge of the goods, or conveyance.

(10) The Commissioner of State Tax shall authorise an officer to dispose of the confiscated goods, conveyance or both and the officer so authorised shall make disposal of the above mentioned goods and/or conveyance strictly adhering to the procedures outlined by the Commissioner of State Tax by an order."

5. in rule 34A, the words, figures and symbols "under sub-section (14) of section 29A" shall be omitted.

6. rule 36 shall be omitted.

7. rule 36A shall be omitted.

AMBAR-I

APPLICATION FOR SETTLEMENT OF ARREARS

[See rule 31F (1)]

1. Name and address of the assessee :
2. Registration Certificate Number :
3. Details of arrears for which settlement has been opted.



Assessment year	Order		Outstanding demands			
	No.	Date	Tax and cess		Penalty	
			Amount	Interest	Amount	Interest

4. Tax (including cess) effect in the case of penalty not utilized or not liable for any best judgment assessment.

Assessment year	Order		Amount of penalty	Tax and cess effect
	No	Date		

5. Details of payment after service of demand notices for which settlement applied

Sl. No.	Assessment year	Order		Nature of Order (Assessment/Penalty)	Amount paid	Details of payment.
		No	Date			
1						
2						

6. Appeal / Revision / Court cases if any pending details : Yes/No

7. If Yes, furnish details as follows:

Assessment year	Order			Appellate authority with whom pending	Appeal/ Revision No.	Present stage	Details of Leave to withdraw granted by the authority
	No	Date	Amount				

DECLARATION

i. I Shri / Smt..... hereby declare that the details stated above are true and correct to the best of my knowledge.



- ii. I further declare that I am competent to file application in the capacity as the
- iii. I hereby opt for settlement of the arrears in pursuance of the scheme declared in Kerala Finance Act, 2025.
- iv. I also declare that I have obtained and produced a copy of leave to withdraw granted by..... (Name of the Appellate Forum/Revisional Authority/Tribunal/High Court/Supreme Court) with respect to the.....(Appeal/Revision/Tax Case/Writ Petition/Writ Appeal/Special Leave Petition/Others) in.....(Appeal Reference Number and Year) filed against the specified order

Place:

Date:

Signature:

Name and address

THE KERALA GENERAL SALES TAX RULES,1963

AMBAR-II

[See rule 31F (2)]

INTIMATION OF DISCREPANCIES /DEMAND FOR SHORT PAID AMOUNT

Date: DD/MM/YYYY

To

Name of the applicant

Address

Sir/Madam,

Ref: Your application under section 23B of the Act, date..... Reg.

1. This has reference to the application under section 23B for settling the arrears pertaining to the assessment order (Specify order No and date) along with proof of electronic payment for an amount of Rs...../- (Rupees only) (Total amount paid along with the application) and the proof of payment of Rs,....., if any, already made towards the demand in the said order after the issuance of demand notice vide chalan No/dated (Specify)

Upon scrutiny of your application, the following defect(s) or omission(s) have been noticed:

- 1.
- 2.

AND/OR



After deducting the amount already made by you towards the tax for the respective demand and the amount paid along with the application you have to pay a further sum of Rs...../-
(Amount short paid as determined by the assessing authority).

2. You are required to remit the short-paid amount within one month from the date of receipt of this notice and/ or

You are required to rectify the following defects identified in the application within one month of receipt of this intimation (Specify defects)

OR

Appear in person or through an authorized representative before the undersigned at (time) on (date) in the office at(Venue where personal hearing will be held).

(give tick mark for whichever is applicable)

3. Failing which, your application for settlement of arrears shall be refused and the amount already paid shall be treated as a payment made towards the arrears in the assessment order under which the application have been filed and no order of settlement shall be issued under sub-section (7) of section 23B.

Place

Date :

Name and signature of the assessing authority

Office Address

THE KERALA GENERAL SALES TAX RULES, 1963

AMBAR-III

[See rule 31F (2)]

Reply to the notice issued under sub-rule (2) intimating discrepancies in the application AMBAR-1, and demanding short paid amount

Sl. No	Particulars	
1	Name and address of the assessee	
2	Registration Certificate Number :	
3	Number and date of AMBAR-II notice:	



4	Discrepancies mentioned in the notice:	
5	Short paid amount demanded:	
6	Reply to the discrepancies:	
7	Details of payment of the short paid amount demanded	

Declaration:

I hereby solemnly affirm and declare that the information given hereinabove is true and correct to the best of my knowledge and belief in the capacity as and nothing has been concealed there from.

Place:

Signature:

Date:

Name and address:

THE KERALA GENERAL SALES TAX RULES, 1963**FORM NARE-I**

**NOTICE FOR DETENTION/SEIZURE UNDER SECTION 30E OF THE KERALA GENERAL
SALES TAX ACT, 1963**

[See Rule 35B]

No... /dated

Office of the.....

NAME OF ENFORCEMENT SQUAD

To		
Name..... (Owner/person in charge of the goods and/or conveyance)		
Address.....		
1.	Place, Date and hour of detention/seizure	
2.	Conveyance Number /place and address of location of storage	
3.	Name & address of the owner/person in charge of the conveyance/ the place of storage	
4.	Name of Driver with Address and Driving Licence number	
5.	Name and address of the consignor with KGST Registration Number if any	



6.	Name and address of the consignee with KGST Registration Number if any	
7.	Name & address of transporting agency (if any)	
8.	Details of documents accompanied	
9.	Description of goods	
10.	Quantity	
11.	Total value of the goods as per documents	

- Whereas on inspection of the conveyance transporting the goods fromto/the place of storage of goods as part of transit or otherwise at, it is suspected that the goods are transported/or stored as part of transit or otherwise in violation of the provisions of section 29A of the Act for the following reasons
(Specify the discrepancies detected)
- Therefore in exercise of the powers conferred under sub-section (2) of Section 30E of the KGST Act, 1963 read with the rules there under, the aforesaid goods, conveyance, or both, as the case may be, are hereby detained/seized or proposed to be detained/seized.
- You are hereby afforded an opportunity to file reply, within 3 days of receipt of this notice with supporting evidence to release the goods, conveyance, or both, as the case may be, without proceeding further under section 30E of the Act
- You are hereby directed to appear before the undersigned on DD/MM/YYYY at....
HH/MM.....(place)
- If you fail to furnish a reply within the time period mentioned above or fails to appear for personal hearing on the appointed date and time, the case will be decided ex-parte on the basis of available records and on merit

Signature,

Name of the officer

Designation of the officer

(Officer detaining the goods and/or conveyance)

To

Shri.....

The Person in charge of the goods and/or conveyance



Address

Copy to: The Manager/Person in charge of the
transporting agency/person in charge of storage of
good/owner of the goods/owner of the conveyance

THE KERALA GENERAL SALES TAX RULES, 1963

FORM NARE-II

**RELEASE ORDER UNDER SECTION 30E OF THE KERALA GENERAL SALES TAX ACT,
1963**

[See Rule 35B]

No.....

Date:

Office of the.....

NAME OF ENFORCEMENT SQUAD

Read: FORMdated;

1. The movement of goods and/or conveyance bearing No..... fromtoor the goods stored as part of transit or otherwise at(place and) found to be in violation of the provisions of sub-rule (1) and/or (2) of rule 35A was detained/seized and issued notice as referred above informing the reason for the detention or seizure by me (name and designation)..... on.....
2. On receipt of the notice, the owner/person in charge of the goods and/or conveyance submitted the following documents and filed reply to the notice
 - (I)
 - (II)
 - (III)

On verification of the documents produced and/or reply filed, the bonafide of the transport/storage of goods are found to be proved for the following reason

(Specify reason)

OR

3. The movement of goods and/or conveyance bearing No..... fromto or the goods stored atfound to be in violation of the provisions of sub-rule (1) and/or (2) of



rule 35A was detained/seized and issued notice as referred above on the person in charge of the goods and/or conveyance as referred above, informing the reason for the detention or seizure by me (name and designation)..... on.....

4. The owner or person in charge of the goods and/or conveyance has made payment of double the amount of applicable tax and cess of Rs..... as penalty and fine of Rs..... in lieu of confiscation of goods and/or conveyance OR

The owner or person in charge of the conveyance has made a payment of double the amount of tax and cess applicable on the goods being carried with/fifty thousand rupees as fine, in lieu of confiscation and has made arrangements for safe storage of the goods carried with and has borne the cost of storage

5. In view of the above, the goods and/or conveyance are hereby released onat AM/PM in good condition OR

The conveyance is hereby released onat..... AM/PM in good condition

Signature

Name of the Officer

Designation of the Officer

ACKNOWLEDGEMENT :

I hereby duly declare that I have received a copy of the above order.

Signature, Name of the Owner/

person in charge of the goods and/or conveyance

(Strike through whichever is not applicable)

THE KERALA GENERAL SALES TAX RULES, 1963

Form NARE-III

NOTICE FOR CONFISCATION OF GOODS, CONVEYANCE, OR BOTH AND DEMAND OF FINE AND PENALTY

[See Rules 35B(5), 35B(6)]

No.....

Office of the.....



Dated

NAME OF THE ENFORCEMENT SQUAD

Notice No and Date

1	Details of goods	
2	Name and address of the person in charge of the goods with registration number if any.	
3	Quantity of goods	
4	Details of documents accompanied with	
5	Value of goods as per the documents accompanied with	
6.	Market value of goods	
7.	Conveyance No. and place of detention/siezure/Place of storage address	
8.	Person in charge of the goods and/or conveyance	
9.	Address of the Person in charge of the goods and/or conveyance	
10.	Mobile No. of the Person in charge of the goods and/or conveyance	
11.	e-mail ID of the Person in charge of the goods and/or conveyance	
12.	Name of the transporter/owner of conveyance	
13.	Registration number of the transporter, if any	
14.	Date and Time of Inspection	
15.	Date of Service of Notice of Confiscation	

1. Whereas on inspection of the conveyance bearing No..... transporting the goods from to/the place of storage of goods stored as part of transit or otherwise at, it is suspected that the goods are transported/stored in violation of the provisions of section 29A



of the Act for the reasons furnished below (Specify the discrepancies detected)

2. For the above reasons, in exercise of the powers conferred under sub-section (2) of section 30E of the KGST Act, 1963 read with KGST Rules, 1963 there under, the aforesaid goods and/or conveyance has been detained/seized and issued notice NARE-I dated..... to show cause within three days of receipt of the notice with supporting evidence, as to why the goods and/or conveyance should be released without proceeding further under section 30E of the Act.
3. The owner or the person in charge of the goods, conveyance, or both appeared on dd/mm/yyyy and filed reply along with the following documents. The reply filed and the documents produced are not found to be acceptable for the following reasons
(Specify reasons)
4. In view of the above, the goods are found to have been transported or stored as part of transit or otherwise in violation of the provisions of sub-section (1) or (2) of section 29A the Act. OR Neither the owner or person in charge of the goods, conveyance or both has come forward to respond to the notice within the stipulated time period
5. It is proposed to confiscate the goods and or conveyance and is demanded to make payment of the penalty as follows

Description of goods	Applicable tax	Applicable cess	Penalty

6. The owner of the goods have an option as per sub-section (5) of section 30E of the Act to pay in lieu of confiscation a fine which the officer who confiscated the goods thinks fit and which shall not exceed the market value of the goods confiscated, but shall not be less than one third of the market value of the goods confiscated.
7. As such the fine proposed in lieu of confiscation of goods is as follows

Applicable tax on	Applicable Cess	Value of the goods	Market value of	Fine



goods		as per document	the goods	

8. If the conveyance detained is a carriage hired for transporting, sub-section (6) of section 30E of the Act provides for the owner or person in charge of the conveyance an option to pay in lieu of confiscation a fine equal to double the amount of tax and cess applicable on the goods being carried with or fifty thousand rupees whichever is higher, subject to the condition that the owner or person in charge of the conveyance shall make arrangements for safe storage of the goods

CALCULATION OF FINE IN LIEU OF CONFISCATION OF CONVEYANCE

Applicable tax on goods	Applicable cess	Value of the goods as per document	Market value of the goods	Fine

9. You are hereby required to make payment of the fine mentioned in para 7 above in lieu of confiscation of goods along with the penalty amount as per para 5 within fifteen days of receipt of the notice.
10. The owner or person in charge of the conveyance (if the conveyance is a carriage hired for transporting goods) is hereby afforded the option to make the payment of the fine mentioned in para 8 within fifteen days of receipt of this notice in lieu of confiscation of the vehicle and subsequent to the payment, the vehicle shall be released subject to the condition of arranging safe storage of the goods carried with at his own cost.
11. You are hereby directed to appear before the undersigned on DD/MM/YYYY at..... HH/MM at.....(Place).



12. If you fail to furnish a reply within the stipulated date or fail to appear for personal hearing on the appointed date and time, the case will be decided ex-parte on the basis of available records and on merit

Signature,

Name the officer

Designation of the officer

(Officer confiscating the goods and/or conveyance)

ACKNOWLEDGEMENT :

I hereby duly declare that I have received a copy of the above notice

Signature and Name of the Owner/

Person -in-charge of the goods and/or conveyance

(Strike though whichever is not applicable)

THE KERALA GENERAL SALES TAX ACT, 1963

FORM NARE-IV

ORDER OF CONFISCATION UNDER SECTION 30E OF THE KERALA GENERAL SALES TAX ACT, 1963

[See Rule 35B(8)]

No.....

Dated

Office of the.....

NAME OF ENFORCEMENT SQUAD

- Read: 1. Show cause Notice Nodated.....issued in Form NARE-I for detention/seizure.
2. Reply filed dated.....
3. Release order issued in Form NARE-II dated Confiscation
4. Notice Nodatedissued in For m NARE-III
5. Reply Filed dated



1. On inspection of the goods and/or conveyance bearing Noin transit fromto/the goods stored as part of the transit or otherwise at, the movement of the goods and/or conveyance/storage of the goods was suspected to be in violation of the provisions of section 29A of the Act read with sub-rule (1) and/or (2) of rule 35A and was detained/seized. On detention/seizure, notice cited 1st above was issued to the owner/ the person in charge of the goods and/or conveyance informing the reason for the detention or seizure requiring him to show cause within three days of receipt of the notice with supporting evidence, as to why the goods, conveyance, or both, as the case may be, should be released without proceeding further under section 30E of the Act. The owner or person in charge of the goods and/or conveyance appeared on dd/mm/yyyy at.....(place) and filed reply along with the following document. (Specify the summary of the reply and details of the documents produced).
2. The reply filed and the documents produced are not found to be acceptable for the following reason (Specify the reasons)
3. In the circumstances mentioned above, the goods are found to have been transported or stored as part of transit or otherwise in violation of the provisions of sub-section (1) or (2) of section 29A the Act. OR Neither the owner or person in charge of the goods and/or conveyance came forward to respond to the notice within the stipulated time period
4. It was proposed to confiscate the goods, conveyance, or both, as the case may be, and demanded to make payment of the penalty as follows:

Description of goods	Applicable tax	Value of the goods as per document	Applicable Cess	Penalty

5. The owner of the goods was also given an option as per sub section (5) of section 30E of the Act to pay in lieu of confiscation a fine as follows



Applicable tax on goods	Applicable cess	Value of the goods as per document	Market value of the goods	Fine

6. As the conveyance detained is a carriage hired for transporting, the owner or person in charge of the conveyance also was given an option to pay in lieu of confiscation a fine as follows. (Strike if not applicable)

CALCULATION OF FINE IN LIEU OF CONFISCATION OF CONVEYANCE

Total value as per the documents accompanied	Rate of tax	Value of tax	Rate of cess	Value of cess	Fine

7. On receipt of the notice, the owner/person in charge of the goods and/or conveyance appeared on dd/mm/yyyy at (place) and filed a reply along with the following documents. (Summary of the reply and details of the documents produce)
8. The reply filed and the documents produced are not found to be acceptable for the following reasons (Specify reason) OR On receipt of the notice, neither the owner or person in charge of the goods and/or conveyance has come forward to make payment of the penalty and fine in lieu of confiscation of goods and/or conveyance
9. In view of the above , the goods, conveyance, or both are confiscated by the undersigned in exercise of the powers conferred by section 30E of the Kerala General Sales Tax Act and the goods and/or conveyance confiscated shall be sold or disposed off by an officer authorised by the Commissioner of State Tax as per sub-rule (10) adhering to the procedure specified therein
10. The details of goods and/or conveyance and the penalty demanded are listed as under



Sl No	Description of goods	Details of conveyance	Tax rate	Rate of cess	Quantity	Total value (Rs.)	Market Value	Penalty amount
1	2	3	4	5	6	7	8	9

OR

11. On receipt of the notice, the owner/person in charge of the conveyance came forward and made payment of the fine Rs..... and made necessary arrangements for safe storage of the goods as per sub-section (6) of section 30E of the Act.
12. Accordingly, the conveyance was released vide release order issued in Form NARE-II dated..... and the goods are stored safely at(place and address) at the cost of the owner of the vehicle.
13. Now as the owner or the person in charge of the goods have not come forward to make payment of the penalty with the fine OR The owner/ the person in charge of the goods filed a reply in response to the notice for confiscation and the objections raised in the notice are not acceptable for the following reason. (Specify Reason)
14. It is decided to confiscate the goods by confirming the penalty as follows.

Sl No	Description of goods	Tax rate	Rate of cess	Quantity Total	value	Market Value	Penalty amount
1	2	4	5	6	7	8	9

15. The confiscated goods shall be sold by an officer authorised by the Commissioner of State Tax as per sub-rule (10) adhering to the procedure specified therein.

Signature

Name of the Officer

Designation of the Officer



Shri.....

Driver/Person in charge

Vehicle/Conveyance no:

Address:

(Strike through whichever is not applicable)

By Order of Governor

Dr. A. JAYATHILAK,

Additional Chief Secretary to Government

Explanatory Note

(This does not form part of the notification, but is intended to indicate its general purport)

As per the Kerala Finance Act, 2025 (3 of 2025) the Government of Kerala have brought certain amendment in the Kerala General Sales Tax Act, 1963. The Government have decided to frame rules for carrying out the said provisions.

The notification is intended to achieve the above object

